

# AI in Insurance Industry

With the new wave of deep learning techniques AI has the potential to push Insurance industry from its current state of “detect and repair” to “predict and prevent”.

## Life

- Personalized premium rates
- AI-driven mortality trend predictions.

## Auto

- Telematics for usage-based premiums.
- AI-assisted claims assessment through image analysis.

## Travel

- Travel assistance via chatbots.
- Delay compensation processing using real-time data.

## Health

- Curated plans based on health records.
- Medical image analysis for diagnostics and claims approvals.

## Property & Casualty

- Assessing property data and history for accurate coverage.
- Estimates damage and repairs using images.

## AI deployment across levels of an organization

### Action Areas

- Liquidity Management Strategy
- Credit Underwriting
- Policy Pricing
- Collection strategy
- Workforce Planning

- Risk and Fraud prevention
- Treasury
- Audit
- Regulations and Compliance
- Retention, Upselling and cross-selling

- Process Automation
- Chatbots
- Customer Outreach
- KYC verification

Communications

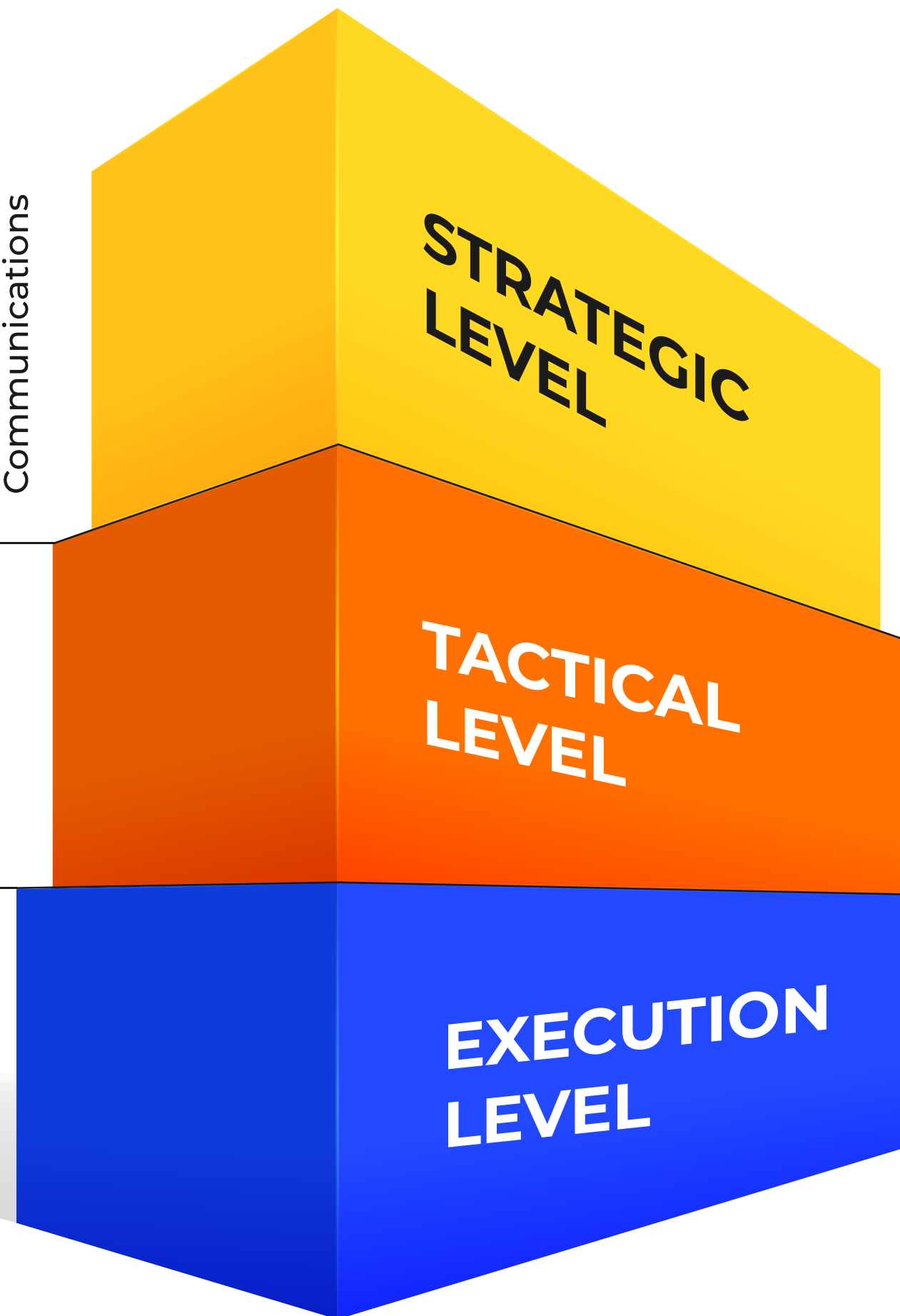
### Impact Delivered

- Anomaly detection and reporting.
- Structuring of premiums
- Enhances strategies for efficient resource allocation for collection.
- Churn Prediction to monitor renewals
- Performance analytics for strategic talent development and retention

- Allocates of capital precisely and robust liquidity forecasting
- Adapting to compliance frameworks

- Delivery of personalized Experiences
- Reducing complaint TAT
- Supporting escalations and resolutions

Escalations/ Approvals



# AI maturity across departments

		Maturity Level			
		Human Support	Automation of Repetitive Tasks	Understanding Context and Learning	Self Awareness
Function	Marketing	Personalized recommendations	Automated ad targeting	Sentiment analysis for campaigns	Predict industry and competition trends
	Sales	Customer query assistance	Automated lead qualification	Sales pattern recognition	Predictive lead scoring
	Customer Support	Live chat support	Automated ticket routing	Natural language understanding	Customer sentiment prediction
	Product (Underwriting & Pricing)	Manual risk assessment	Automated pricing models	Data-driven risk assessment	Adaptive risk modelling
	Claims	Claims processing aided by AI data extraction	Automated claim verification and approval	AI analyzes historical claims data for fraud detection.	Predict claim authenticity and recommends optimal settlement
	IT	Technical issue guidance	Automated system monitoring	Anomaly detection	Sentiment analysis for campaigns

**87%**

Insurers are tagged with companies who invest \$5 million or more in AI each year.

-Genpact

**33.1%**

CAGR of investment in AI by insurance companies - reaching USD 35.77 billion by 2030.

-Forbes

# How to get started?

## Solutions facilitated by AI

-  Sentiment Analysis for Customer Feedback
-  Telematics and IoT Data for Vehicle Risk Assessment
-  Image and Video Analysis for Damage Assessment
-  Collection intimation and analysis
-  Automated Claims Triage
-  Tracking Market Trends
-  Predictive Health Analytics
-  Regulatory Compliance and Reporting
-  Dynamic Pricing and Product Customization
-  Fraud Detection and Prevention

## Some KPIs to measure business success

Measures related to operational efficiency, risk assessment accuracy, and customer-centric outcomes, reflecting the overall impact of AI integration on various aspects of the industry.

- Percentage of claims processed without human intervention
- Mean squared error by AI models in predicting risks associated with different insurance policies
- Percentage increase in premium collection efficiency
- Cross-sell/Up-sell volume from AI recommendations
- Average chatbots latency to respond to customer queries - for sub-second response times
- Average claim processing time with AI
- Precision-recall trade-off of AI algo in detecting anomalous claims
- Payout savings by AI on fraudulent claims
- Chatbots Customer Experience score
- F1-score of NLP models in accurately extracting entities from customer queries

In addition to these,

**Tracking of 200+ KPIs to measure AI adoption success**

## Polestar AI think-tank brings you

- ✓ **30+ Data and AI Transformation projects** for Fortune 500 clients
- ✓ **Customized Implementation approach** as per existing AI maturity levels
- ✓ **AI-powered algorithms** to provide advice based on **prescriptive analytics**
- ✓ Leveraging **NLP** and **Cognitive Computing** capabilities

## Our AI Leaders



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